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THE RIGHTS OF SMALL AMERICAN NATIONS

NICARAGUA AND COLOMBIA

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In his remarkable book on Mid-Europe, Friedrich Naumann sees the world of the future divided among three or four great empires—British, Russian, American and possibly Mid-European. By a law of inevitable social evolution, Naumann maintains, these great superstates attract to themselves more and more power, looking after their own interests within the world's system, becoming economically self-sufficient, and making the states outside helpless against their tariff policy, commercial intrigues, limitation of imports, metal monopolies, cotton trusts, against their colonial dominion and world-encircling policy.¹ Small states which cannot carry through any tariff war, but need daily imports and exports, must in future be registered with one of the great world-firms, as soon as the superfirms themselves mutually separate off from one another even more than they had done before the war.²

Of course Naumann is thinking chiefly in terms of small European states, but is he or is he not describing what is actually happening in the western world as in the eastern? Is or is not the United States by steady process annexing, both economically and politically, her neighbors to the south of Mexico? Whether she is or not, is she, at each stage of her progress, taking scrupulous care to safeguard the rights of the small nations as interpreted by their spokesmen, and in this way avoiding any accumulation of grievances that may some day return to plague her? I shall confine my answer to the states of Nicaragua and Colombia.

Practically everyone admits some sort of right of a country's inhabitants to profit by its natural riches. All Americans do lip service, at least, to the right of self government. They agree that a stronger nation in dealing with a weaker should so far as possible safeguard these two rights. Our Caribbean neighbors have large natural riches, and they have not yet made a conspicuous success of self government. American capital seeking profit from Caribbean

¹ P. 193.² P. 195.

natural resources, like foreign capital in general, has not been too tender of the interests of the native peoples. When it has found their existing governments intractable or unfriendly, it has sometimes sought the support of our own government for a change, and it has not been wholly unsuccessful in such application. The great body of our people have neither known nor cared what was happening to the south of us, so long as it stirred up no war that called for anything more than a small force of regulars.

Nicaragua, the largest of the Central American states, has one unrivaled economic asset, namely, its canal route between the oceans. Aside from this, its riches are largely in its coffee- and cocoa-growing land. Its one railway is owned by the government, but a large New York banking house, by a loan of a million dollars, secured 51 per cent of the stock, and now directs the policy of the railroad. The same bankers similarly control the National Bank of Nicaragua, and they have a lien on the customs to secure certain loans.

From 1894 to 1910, José Santos Zelaya maintained himself practically as dictator of Nicaragua. During the last ten years of this period there were sixteen so-called revolutions. Zelaya was not satisfactory to the American interests in Nicaragua, and finally the United States lent diplomatic support to the revolution that overthrew him in 1910. Still things did not go to suit us, or indeed anyone else, and in 1912 we landed 2,600 troops, did some fighting, and put down another revolution—all this, of course, at the request of the government legally constituted—with our assistance. Our high purpose was thus stated by the Taft administration: The United States

will lend its strong moral support to the cause of legally constituted good government for the benefit of the people of Nicaragua. . . . The United States has a moral mandate to exert its influence for the preservation of the general peace of Central America.

In 1914 we again landed troops, and only by this means succeeded in keeping the existing government in power.

During these same years our executive was pressing for ratification a treaty which would give us large control over Nicaragua. The first treaty came to naught, and a new one was negotiated which was finally ratified by our Senate early in 1916, and two months later, after a bitter struggle, by the Nicaraguan government. By its

provisions, the United States, in return for a payment of \$3,000,000, secured: (1) the exclusive right to construct a canal *via* the San Juan River and the Nicaraguan lakes; (2) the lease of land for a naval base on Nicaraguan territory on the Gulf of Fonseca; and (3) a lease of Great Corn Island and Little Corn Island in the Caribbean Sea. (It may be recalled that the United States paid Panama \$10,000,000 and \$250,000 a year for the Panama Canal route.) Costa Rica, Honduras and Salvador at once brought suit against Nicaragua in the Central American Court of Justice, alleging that the treaty violated their existing rights.

The Central American Court of Justice was established at our instance in 1907 as a means of bringing to an end the disastrous wars that have ravaged the Central American states for a century. The court is composed of one member from each of the five states, and is authorized to hear and dispose of all questions between them, and under certain conditions, cases between them and other states. At the same time that the court was established, Honduras, the central and most belligerent state of the five, was at its own suggestion placed in a state of neutrality, guaranteed by its neighbors. The establishment of the court and the neutralization of Honduras together offered a promising means of keeping the peace among these troubled states, and the very first decision of the court, rendered the year after its establishment, prevented a war. The court is perhaps the most promising agency of its kind in existence.

Costa Rica's complaint was that Nicaragua had violated certain treaty rights of Costa Rica by agreeing without her consent to the canalization of the San Juan River, a boundary river whose waters reach the sea through Costa Rican territory. Costa Rica, as a lower riparian owner, is of course interested in anything that affects the waters of the river. The court, by a vote of four to one, Nicaragua alone dissenting, upheld the claim of Costa Rica that Nicaragua had violated the right of Costa Rica, but said that it could make no declaration that the Nicaraguan treaty with the United States was therefore null and void.³ Nicaragua, with our military and naval power behind her, and our \$3,000,000 in her pocket, refused to acknowledge the jurisdiction of the court.

Honduras and Salvador had a different grievance. The Gulf of Fonseca, probably the best harbor on the Pacific outside San

³ *World Court*, January, 1917, p. 370.

Francisco Bay and Magdalena Bay, is enclosed within the territory of three states, Nicaragua, Honduras and Salvador, the chief Pacific ports of the two latter countries being on that gulf. Modern guns placed at our proposed naval base on Nicaraguan territory will command these ports and practically the whole Honduran and Salvadorean part of the gulf. In this case, as in the Costa Rican one, the court decided four to one against Nicaragua, which in this case also refused to acknowledge jurisdiction. As regards both the two great concessions granted us by the treaty, then, the court's decision is unequivocal that the rights of the complaining states have been disregarded by Nicaragua. I shall not try to discuss the merits of the controversy. It is vigorously asserted that the Nicaraguan government which refused to accept the decision of the court is a government practically brought into existence by the United States and supported by our warships and marines, against the protest of a majority of the Nicaraguans. Be that as it may, the Nicaraguan refusal to abide by the decision of the court threatens the destruction of that agency, and threatens the failure of the plan of neutralizing Honduras. Needless to say, it is piling up irritation and suspicion against the United States, despite our fair words inserted in the treaty itself: "It is declared by the Senate that nothing in said convention is intended to affect any existing right of any of the said named states."⁴ Of course not, and yet the Central American Court of Justice all but unanimously decides that our treaty does so affect their rights.

Of the Colombian situation I shall say little. The facts are of public record, proudly avowed by the chief actor. The alleged "holdup" of the United States by the Colombian rejection of the Hay-Herran treaty calling for a cash payment of \$10,000,000 and an annual payment of \$250,000 besides, the unsavory story of the activities of the old French company in trying to dispose of their concession before it should run out, the bloodless "revolution," arranged in New York, staged in Panama, and carried out with the careful collaboration of our military and naval forces, and the hair-trigger recognition of the new republic by the Washington authorities—all these are undisputed facts. We dug, and fortified, the canal, and gave Colombia a permanent grievance, which we have been trying ever since to find some way to redress without saying

⁴ Costa Rica, Honduras and Salvador.

that we were at fault. Various treaties have been proposed; all have failed of ratification. A few months ago, it is reported, a number of the most influential journals in Colombia urged the withdrawal of their country from the Pan-American Union as a measure of protest against the failure of the United States to rectify what they consider their country's grievous wrong. It would be difficult to exaggerate the bad effect produced throughout the Caribbean region by our action in the whole Colombian matter, or the amount of ill-will and suspicion it has added to the burden we were already carrying as the most prominent strong power operating there to support the designs of its forward-looking capitalists.

With the recital of these simple and well-known facts I need only state my point, which is a very simple and evident one. We have at present the power to make our will supreme in the Caribbean basin. In the two cases mentioned that power has been used to carry through our own policy in contravention of what the leaders of the small nations affected rightly or wrongly conceived to be their rights. In consequence we have begotten a hostility which, while not yet actually of serious dimensions, none the less contains possibilities of importance in any case of foreign complications, as we realize today in our relations with Germany. Every unadjusted problem of this kind means the need for more soldiers and battleships in order that we may be able to enforce our view of the right upon our unwilling little neighbors, and as all experience shows, such a development is unfavorable to the settlement of new questions on terms that both parties consider fair. Might we not well have a permanent government commission, or a bureau in the state department, whose essential business should be the consideration of the economic no less than the political aspects of American investment abroad? Unless we turn attention seriously and sympathetically to these questions, we are in grave danger, despite the good intentions of our state department, of violating increasingly what our smaller American neighbors consider their rights. They stand in sore need of friendly help in their struggle for economic betterment and stable self-government. If we still hold our historic belief that they can finally attain these ends, we can pursue a policy of friendly coöperation with their governments and people, and not a blundering policy of unquestioning support of whatever American financial interests happen to be dominant in the respective states. On the other hand,

if we have lost our ancient faith, we can consistently carry out a policy of frank imperialism, based on our idea of what is good for the Central Americans, and for us, and forced upon them by our armed might. But in that case we ought not to forget the words of Theodore Ruysen:

Coercion from without results in uniting incongruous elements until at last the day comes when the nationality, however complex in its origin, united in aspirations, considers itself ready to occupy a place among the nations, and rises up against its oppressors to claim a place in the Sun of Liberty.